

NIH POLICY MANUAL

2300-940 - CLEARANCE OF PERSONNEL FOR SEPARATION OR TRANSFER

Issuing Office: ORS/OAM, 402-1661

Release Date: 08/20/97

1. **Explanation of Material Transmitted:** This chapter prescribes the policies and procedures governing the clearance of separating or transferring personnel from the National Institutes of Health.

Also attached is a clean copy of the new form [NIH 2737-2](#), Clearance of Personnel for Separation or Transfer. This form is to be maintained within the IC and reproduced locally as needed.

2. **Filing Instructions:**

Remove: None

Insert: NIH Manual 2300-940 dated 07/03/97

PLEASE NOTE: For information on:

- Content of this chapter, contact the issuing office listed above.
 - NIH Manual System, contact the Division of Management Services, OMA on 496-2832, or enter this URL: <http://www3.od.nih.gov/oma/manualchapters>.
-

A. Purpose:

This chapter prescribes the policies and procedures governing the clearance of separating or transferring personnel from the National Institutes of Health.

B. Policy:

All Clearance Officials must ensure that their separating or transferring employees are cleared properly by having the employee complete in full the Clearance of Personnel for Separation or Transfer, Form NIH 2737-2 (Appendix 1), report to all designated clearance checkpoints, and turn in all NIH property for which the separating employee is accountable.

Clearance is required for all accountable advances, funds, property, forms, files and records issued to the employee.

Separating employees are responsible for resolving any issues of indebtedness before separation or transfer and working with the appropriate officials to ensure that proper clearances are obtained. Failure to do so may result in salary offset and stipend recovery (see appendices 3 & 4).

ICs outside of the NIH Bethesda campus commuting area, (e.g., NIEHS; NCI facilities in

Frederick, MD; and NIA and NIDA facilities in Baltimore, MD) that have their own policies and procedures for facilities may use their own clearance procedures but should ensure complete clearance of personnel for all property, records, etc. Alternative clearance procedures must meet the minimum Department requirements as outlined in HHS Chapter 1-90, "Clearance of Personnel for Separation or Transfer."

If an employee is not available to complete the clearance procedure due to serious illness, sudden death or sudden resignation, the Clearance Official should ensure that the requirements of this policy are completed to the greatest extent possible.

C. References:

HHS Transmittal 90.03, General Administration Manual, HHS Chapter 1-90, "Clearance of Personnel for Separation or Transfer," dated 07/13/90.

D. Definitions:

1. Accountable Property - Government-owned personal property that meets the HHS accountable property criteria for which controls must be maintained.
2. Clearance Official - the separating employee's immediate supervisor. Supervisors are charged with primary responsibility for coordinating the clearance of the separating or transferring employee.
3. Debt - an amount of money, property and/or advanced leave owed to the IC, NIH, or HHS.
4. Deregistration Official - IC official responsible for ensuring that Division of Computer Resources and Technology (CIT) automated information system passwords for NIH employees and contractors who leave an IC are changed or deleted in accordance with Departmental policy.
5. Employee - For the purpose of this chapter, NIH Employees include: personnel employed by the Federal Government under a career or career conditional appointment; Guest Researchers; Volunteers; Individuals on Temporary Appointments (including student appointments); Fogarty International Center Scholars; Staff Fellows; Intramural Research Training Award Fellows; IC Fellowship Award Recipients; Visiting Associates, Scientists, and Fellows; and Commissioned Corps.
 - a. Separating Employee - an employee who is leaving his or her position with the Federal Government.
 - b. Reassigned/Transferred Employee - an employee who is reassigned out of an IC to another NIH IC or HHS component, or transfers to another Federal agency.
6. Official Records - As defined by 44 U.S.C. 3301, as used in this chapter, "records" includes all books, papers, maps, photographs, machine readable materials, or other documentation materials, regardless of physical form or characteristics, made or received by an agency of the United States Government under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operation, or other activities of the

Government or because of the information value of data in them. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference, and stock of publication and of processed documents are not included.

7. Property Custodial Officer - an employee, accountable to the IC Property Management Representative, who is responsible for the day-to-day custody, use, care, and safekeeping of property in a defined custodial area.
8. Property Management Representative - an official who is responsible for directing the personal property management program in an IC and is accountable to the NIH Property Management Officer.
9. Salary Offset and Stipend Recovery - a procedure by which HHS Payroll may collect an outstanding employee debt from an employee's salary, leave balance or retirement account.

E. Procedures:

The following procedures are listed to ensure that all clearances are properly carried out prior to the separation or transfer of an employee:

1. Employee notifies his/her supervisor of plans to separate or transfer as soon as he/she knows that he/she will be leaving, preferably no later than two weeks in advance of the scheduled date.
2. The Clearance Official coordinates the planned separation of the employee with the IC administrative office and human resources office.
3. In many cases the Administrative Officer (AO), other IC official, or the employee is the appropriate person to complete clearance through a given clearance point; however, it is the Clearance Official's responsibility to ensure that all required clearances are completed.
4. Official Forms: The Clearance Official (unless otherwise noted) ensures the timely preparation of applicable forms to document employee separation and clearance as follows:
 - a. Form NIH-433, Request to Change NIH Directory Information: If the separating employee is transferring to another NIH IC, the gaining organization submits Form NIH-433 to reflect the transfer of the employee to the gaining IC. The form is then submitted to the Operations Section, Telecommunications Branch (TCB), ORS. The AO retains Part 3 of the form for his/her files. (NOTE: This form is available through the TCB CSA DELPRO system.)
 - b. Form [NIH-829-5](#), Notification of Termination of Visiting Program Participation: For Visiting Fellowship Awards, Visiting Associates and Visiting Scientists, the sponsor requests termination in accordance with NIH Manual Chapter [2300-320-3](#).
 - c. Form [NIH-1767-1](#), CIT Account Authorization: The Clearance Official coordinates with the IC Information Technology (IT) office (or other

appropriate office as designated by the IC) to ensure the employee no longer has authority to act as a CIT Account Sponsor. This can also be accomplished by the Sponsor through WYLBUR if the Sponsor has set "preferred" initials.

- d. Form [NIH-2144](#), Fellowship Termination Notification: For NIH Training Fellowships. The sponsor requests termination in accordance with NIH Manual Chapter 2300-320-7.
- e. Form [NIH-2604](#), Delegation of Acquisition Authority: The IC requesting office completes and submits to the Office of Procurement Management (OPM), with Line Item 9 (Cancel Delegation) completed.
- f. Form [NIH-2604-1](#), Request for Ordering Official Authority: The contracting official submits to the OPM, with Line Item 9 (Cancel Authority) completed.
- g. Form NIH 2737-2, Clearance of Personnel for Separation or Transfer: Upon notification by the Clearance Official of a separating employee, the AO will initiate and provide Form NIH 2737-2 to the Clearance Official, indicating which items on the form must be cleared and which items are not applicable. Following the completion of the clearance processing and satisfactory resolution of any issues, the Clearance Official obtains the employee's signature and date on Form NIH 2737-2. (If the employee is unable or refuses to sign, the Clearance Official will note this on the form.)

Upon completion of the form, the Clearance Official will:

1. sign and date it, certifying that all required clearances have been obtained.
 2. retain a copy of the form for his/her files and provide a copy to the separating employee.
 3. forward the original copy to the respective AO for retention. The form will be retained for one year or for one year after any indebtedness is recovered, whichever occurs later.
- h. Form PHS-1373, Separation of Commissioned Officer (CO) and Form PHS-31, Officers' Leave Record: The CO must prepare the PHS-1373 and obtain the PHS-31 from the timekeeper. The CO attaches the PHS-31 to the PHS-1373 and submits them to the AO for submission to the IC human resource office and subsequently to the Division of Commissioned Personnel (these forms must be received at least 30 days before the separation date).
 - i. Form PHS-6364, PHS Employee Invention Report: The employee is responsible for preparing this form to report inventions made while at NIH, in accordance with NIH Manual 3050, "Transmittal of Employee Invention Reports to the NIH OTT." Employees should also provide a forwarding address to ensure royalty checks can be mailed.

- j. Form [HHS-476](#), Record of Home Address: Submitted when the employee is separating from the Federal Government and there is a change of address. This form is then submitted to the respective AO. The employee can also change her/his address through "Employee Express" prior to separation.
- k. Form [SF-52](#), Request for Personnel Action: Submitted to the respective AO.
- l. Certification of Continuing Obligation Form: For procurement officials who are leaving during the conduct of a procurement action in excess of \$100,000, ensures the submission of the Procurement Official's Continuing Obligation Form (Appendix 2) to the AO.
- m. Performance Plan/Rating: Supervisors of separating personnel, prior to the employee's last day of employment with the IC, complete a performance review/rating as outlined below:
 - 1. a progress review if the employee served under a plan for less than 120 days; or
 - 2. a summary rating if the employee served under a plan for 120 days or more.

The performance review and rating should then be shared with the employee and forwarded to the gaining human resource office, or for separated employees, forwarded to the IC human resource office for appropriate records management.

- n. Outstanding Travel Advances/Vouchers: The Clearance Official reviews the listing of outstanding cash advances (available from the IC Travel Coordinator) and, if any are found, notifies the traveler of the need to submit a voucher prior to separation.
5. Property/Records: The Clearance Official instructs the separating/transferring employee of her/his responsibility to return appropriate items and works with the employee to identify these items.
- . Official Records: It is the responsibility of every Clearance Official to ensure that official records (see Section [D.6](#)) created or received by the employee during his/her tenure in the Government remain in the possession of the Federal Government. The Clearance Official should notify the IC Network Administration/Information Technology office to archive appropriate electronic files. The destruction or removal of Government records other than as authorized in an approved records schedule is a serious offense that could lead to adverse action against the individual (NIH Manual Chapter [1743](#), Keeping and Destroying Records). With explicit permission of the supervisor and in consultation with the IC Records Management Officer, an employee may be allowed to take along a copy of a record.
 - b. NIH/NLM Library Material: The Clearance Official ensures the separating

employee has returned any library material checked out to the employee, prior to separation.

c. NIH Identification Card:

1. Separation from NIH: The Clearance Official ensures the return of the NIH identification card prior to the separation of an employee. The card is then forwarded to the NIH Employee Transportation Services Office (ETSO) with the effective date of separation.
2. Transfer within NIH: The employee keeps their NIH identification card. The employee's new IC is responsible for completing form NIH 1308-4 and having the employee report to the ETSO for an updated replacement ID.

- d. Office/Building Keys/Cardkeys: The Clearance Official ensures the return of the separating employee's office and building keys and cardkeys prior to separation. The employee submits all keys and cardkeys to the Lab or Branch office, or to the AO. The Clearance Official then ensures keys and cardkeys are submitted either to the Crime Prevention Branch (CPB), Division of Public Safety (DPS), Office of Research Services (ORS), or reassigned in accordance with the memorandum from the Director, DPS, entitled Locksmith Service for Room Keys, dated February 14, 1997.
- e. Parking Hanger: The Clearance Official ensures the return of the separating employee's NIH Parking Hanger prior to separation. The hanger is then submitted to the ETSO, CPB, DPS, ORS.

If an employee is transferring to another IC, the employee retains the hanger for use in the new IC. However, the ETSO should be notified by telephone of the IC to which the employee is transferring.

- f. TRANSHARE Commuter Cards and Fare Media: All non-expired TRANSHARE commuter cards and fare media, as of the date of separation, must be returned to the ETSO.
- g. Government Drivers License: The Clearance Official ensures the return of the separating employee's Government Drivers License to the Government Drivers License Issuance office, DPS, ORS.
- h. Credit Cards and Phone Cards:
1. Domestic/International Phone Cards: The AO reviews the listing of FTS, AT&T, International phone card holders and if the separating employee has been issued a card, ensures that the employee returns it prior to separation. All such cards must be returned to the TCB, ORS.
 2. Government Issued Travel Credit Cards: The AO reviews the listings of Government issued travel card holders and, if the separating employee has been issued a card, ensures that the

employee returns it prior to separation/transfer.

3. **IMPAC Purchase Card:** The AO reviews the listing of IMPAC purchase card holders and if the separating employee has been issued a card, ensures that the employee cuts the card in half and returns it to the IC IMPAC Purchase Card Coordinator through the Card Approving Official (CAO) prior to separation. If outstanding orders have not been invoiced, the CAO must reconcile and review the monthly summary.
4. **Self-Service Store Charge Card:** For employees who maintain this card, the Clearance Official ensures the card is transferred to the employee designated to now maintain this card, and indicates that the separating employee will no longer maintain the card.
- i. **Radiation Badge, Materials, Equipment:** The Clearance Official ensures that separating personnel return their radiation badge (dosimeter), on the last full working day prior to separation, to the Radiation Safety Branch (RSB), Division of Safety, ORS. RSB will test the badge to ensure that the separating employee was not exposed to any harmful radiation. If it is discovered that the employee has been exposed, the RSB will notify the AO, who will in turn notify the former employee and will proceed to act as directed by the RSB.

Radioactive materials and/or equipment must be cleared in accordance with the NIH Radiation Safety Guide.

- j. **Electronic Records/Files:** The Clearance Official arranges for the archiving of any necessary files from the employee's home directory. In some cases files from the employee's personal computer may need to be archived as well.
- k. **Metro Fare Cards:** The Clearance Official collects any NIH provided Metro Fare Cards signed out to the employee.
- l. **Software/Hardware/Phone Lines for Home Computing:** The Clearance Official ensures the employee has returned all Information Technology hardware and software issue to the employee for use at home. All agreements to pay phone or other charges in connection with work at home (non-NIH sites) must be terminated.
- m. **Cellular Telephones/Pagers:** The Clearance Official collects any NIH provided cellular telephones or pagers issued to the employee. The Clearance Official ensures the service agreement for the employee's cellular phone and/or pager is canceled by sending a cancellation notice to the vendor with a copy going to TCB.
- n. **Accountable Property:** The Clearance Official coordinates with the IC Property Management Representative/Custodial Officer to review the listing of property and ensure that all property in possession of the

separating employee is accounted for, checking for property passes, loans and personal custody items.

1. Upon request by the separating employee's Clearance Official, the Property Management Representative/Custodial Officer conducts a physical inventory of equipment and reconciliation of discrepancies for the separating employee.
 2. The Property Management Representative/ Custodial Officer notifies the separating employee's Clearance Official of the status of the inventory conducted for the separating employee.
 3. The Clearance Official works with the separating employee to reconcile any discrepancies.
6. Designations/Appointments/Authorities: The Clearance official ensures the cancellation or proper disposition of designations, appointments and authorities as follows:
- . Contract Project Officer: Ensures that this authority is rescinded.
 - b. Grant Program Officer: Ensures that this authority is rescinded.
 - c. Procurement Approving/Ordering Official: Ensures that this authority is rescinded and notifies OPM.
 - d. Computer Systems Access: Coordinates with the IC Deregistration Official or other IC designated official to rescind access to all computer systems accounts (e.g., LAN, e-mail, CIT accounts, Personnel databases, etc.). All information technology-related identification codes (e.g., Human Resource Database authorization codes etc.), computer passwords, and account numbers will be changed or deleted on all systems, networks, etc., prior to or simultaneous with the transfer or separation of the employee.
 - e. Security Clearance: Ensures that the NIH Security Representative, OHRM is notified whenever an employee in a sensitive position who has a security clearance for access to Top Secret, Secret, or Confidential information is separating or transferring so that the employee can be debriefed by the CPB, DPS, ORS.
7. Resolution of Indebtedness: The Clearance Official ensures that issues of indebtedness to the Department are resolved and that actions taken are noted on Form NIH 2737-2, (Appendix 1) in the "Other/Notes" section of the form. (Reference: Debt Collection Act of 1982, as implemented by 45 CFR Part 30. Also see Department Accounting Manual Chapters 10-30 and 10-41 and HHS Personnel Manual Instruction 550-9.) See Appendix 3 for guidance on resolving indebtedness to HHS.
8. Separation Consultation:
- . IC Human Resource Office or Commissioned Corps Office: Upon receipt of the Form SF-52 or PHS-1373 and when an employee is separating from the Federal Government, the human resource office should discuss: 1) retirement benefits (CSRS/FERS), 2) Thrift Savings Plan package, 3) Health and Life Insurance, 4) lump sum payment of annual leave, 5) reinstatement eligibility, and 6) approximate date when last pay check will

be received.

- b. Occupational Medical Service (OMS): Any employee who has undergone medical evaluation at OMS, has participated in any surveillance program, or has been treated or evaluated for any occupationally related injury or illness should clear through OMS prior to separation. This will ensure that the employee is informed as to the disposition to be made of their medical records and provide for the timely transfer of the records by the OMS. For employees transferring to a new assignment within NIH, this will allow for a determination as to whether the employee has a need to enter into, or continue in a surveillance program and provide for an update to the employee's medical records.
9. Payroll Records: The timekeeper should: 1) retain a copy of the Administrative Time and Leave Record ([NIH-2386-3](#)) for the current leave year; 2) indicate the official effective date of reassignment/transfer and the organization to which the employee reassigned/transferred; and 3) retain copies of time and attendance records for the past six years. The following specific actions are to be taken as appropriate:
- . Reassignment Within HHS: The losing timekeeper should provide the gaining timekeeper with the following documents: Administrative Time and Leave Record(NIH 2386-3), leave supporting documents, and the last Earnings and Leave Statements (OS-340).
 - b. Transferring Outside HHS: The timekeeper provides the separating employee with the Administrative Time and Leave Record for the current year.

NOTE: If the employee has an outstanding debt that is unresolved at the time of separation, the supervisor is responsible for ensuring that the employee's final timecard is not sent to payroll through the normal process. The supervisor will send the timecard and an explanatory memorandum to payroll through the payroll liaison. Payroll will withhold the amount of the debt from the final salary payment and the lump-sum annual leave payment, or take other appropriate action.

- 10. Royalty Checks: If the separating employee will be receiving royalty checks, a forwarding address should be forwarded to the Assistant Director for Finance.
- 11. Telephone Lines: Upon notification of the employee's departure, the Clearance Official notifies the AO, who in turn determines if telephone lines should be disconnected.

F. Records Retention and Disposal:

All records (e-mail and non-e-mail) pertaining to this chapter must be retained and disposed of under the authority of NIH Manual [1743](#), "Keeping and Destroying Records," Appendix 1, "NIH Records Control Schedule," Item 2300-200-1b.

The AO retains the original of Form NIH 2737-2 for one year or for one year after any indebtedness is recovered, whichever occurs later.

NIH e-mail messages. NIH e-mail messages (messages, including attachments, that are created on NIH computer systems or transmitted over NIH networks) that are evidence of the activities of the agency or have informational value are considered Federal records. Pursuant to General Records Schedule 20, Item 14 - Electronic Mail Records, e-mail messages which meet this definition should be copied to a record keeping system -- either hard copy or electronic -- and then deleted from the e-mail system.

All e-mail messages are considered Government property, and if requested for a legitimate Government purpose, must be provided to the requester. Employees supervisors, NIH staff conducting official reviews or investigations, and the Office of Inspector General may request access to or copies of the e-mail messages.

E-mail messages must also be provided to members of Congress or Congressional committees if requested and are subject to Freedom of Information Act requests. Since most e-mail systems have back-up files that are sometimes retained for significant periods of time, e-mail messages and attachments may be retrievable from a back-up file after they have been deleted from an individual's computer. The back-up files are subject to the same requests as the original messages.

Appendix 1. DHHS Procurement Officials Certification of Continuing Obligation:

I, _____, hereby certify that (Print or Type Name) I understand the provisions of Subsection 27(e)(4) of the Federal Procurement Policy Act (41 U.S.C. 423), as amended by Section 814 of Public Law 101-189 and by Section 815 of Public Law 101-510, concerning restrictions on Government officials and employees. I have participated personally and substantially in the conduct of HHS procurement: or have personally (Solicitation or Contract Number) reviewed and approved the award, modification, or extension of the contract. Accordingly, I understand that I have a continuing obligation not to disclose proprietary or source selection information related to the procurement identified herein.

(Date)

(Signature of Procurement Official)

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001, AS WELL AS ADMINISTRATIVE, CIVIL AND CRIMINAL PROSECUTION UNDER TITLE 41, UNITED STATES CODE, SECTION 423, AS AMENDED BY SECTION 814 OF PUBLIC LAW 101-189 AND SECTION 815 OF PUBLIC LAW 101-510.

1. Separating from the Federal Government

- . If the employee is separating from the Federal Government, all outstanding indebtedness must be repaid before separation. Agreements for repayment after separation are not acceptable. All payments of debt involving advance leave or other payroll issues should be paid by check,

made payable to HHS. All payments of debt involving travel advances should be paid by check, made payable to HHS. It should be noted that travel advances are usually accounted for through preparation and submission of the travel voucher.

HHS Payroll is ultimately responsible for outstanding debts. However, the timekeeping documents will reflect any advance annual or sick leave that the employee must pay back.

- b. If the employee has an outstanding debt that is unresolved at the time of separation, the supervisor is responsible for ensuring that the employee's time and attendance record is not sent to payroll through the normal process.

The supervisor sends the time and attendance record and an explanatory memorandum to Payroll through the IC Payroll Representative.

Payroll will withhold the amount of the debt from the final salary payment and the lump-sum annual leave payment. If necessary, payroll will take other appropriate actions permitted under the Debt Collection Act and other authorities as required, including a request to the Office of Personnel Management (OPM) to withhold the appropriate amount when the employee seeks to withdraw retirement monies. (Procedures for collecting debt from Commissioned Officers are contained in the PHS Commissioned Corps Manual.)

- c. If indebtedness is discovered after submission of the final time and attendance record, the supervisor must immediately request the IC Payroll Representative to arrange for withholding from the final salary payment, lump-sum annual leave payment and retirement benefits. (Procedures for collecting debt from Commissioned Officers are contained in the PHS Commissioned Corps Manual.) At a minimum, the supervisor should call the IC Payroll Representative followed by a network message or some other form of written notification.

The Payroll Representative will in turn work with the timekeeper, NIH Payroll, and/or the Personnel Management Specialist as appropriate.

- d. If the indebtedness is later cleared by the employee, the supervisor should inform the Payroll Representative so that the employee can be paid any amounts withheld.

2. Transferring to Another HHS Component

- . If the employee is transferring to another HHS component and has an outstanding debt, the employee may elect to pay off the debt in full prior to transfer, pay the debt in installments, or have payroll automatically deduct payments from his/her salary. Employees must sign an agreement in the case of installment payments (see Appendix 4).

HHS Payroll is ultimately responsible for outstanding debts. However, the timekeeping documents will reflect any advance annual or sick leave that the employee must pay back and whether the employee had received an emergency payment which had not been repaid.

When the employee is transferring to another HHS component, all payments of debt involving outstanding travel advances should be paid by check, made payable to HHS. It should be noted that travel advances are usually accounted for through preparation and submission of the travel voucher.

If an installment agreement or salary offset is already in effect, the employee may continue repayment through this mechanism until the debt is satisfied.

- b. If the employee has an outstanding personnel/payroll debt that is unresolved under 2.a. above at the time of transfer, the supervisor notifies the IC Payroll Representative and requests initiation of salary offset. Salary offset may be initiated only for debts arising from the personnel/payroll system that are owed to the United States by HHS employees. (see HHS Personnel Manual Instruction 550-9).
- c. If indebtedness is discovered after the employee has transferred, HHS Central Payroll informs the employee and requests resolution from the employee (see HHS Personnel Manual Instruction 550-9). If full payment or a signed agreement for installment payments is not received within 60 days, salary offset is to be initiated.

3. Transferring to Another Federal Agency

- . If the employee is transferring to another Federal agency that is not part of HHS and has an outstanding debt, the employee may elect to pay off the debt in full prior to transfer, pay the debt in installments, or if salary offset is already in effect, continue repayment through salary offset at the new agency until the debt is satisfied. Employees must sign an agreement in the case of installment payments. (See Appendix 4.)

All payments of debt involving advance leave or other payroll issues should be paid by check, made payable to HHS.

All payments of debt involving outstanding travel advances should be paid by check, made payable to HHS. It should be noted that travel advances are usually accounted for through preparation and submission of the travel voucher.

To either initiate or continue salary offset, HHS Central Payroll computes the status of employee indebtedness as of the effective date of transfer, and will then request the new agency to initiate or continue salary offset until

the debt is satisfied.

Salary offset may be initiated only for debts arising from the personnel/payroll system that are owed to the United States by HHS employees. (see HHS Personnel Manual Instruction 550-9).

- b. If the employee has an outstanding debt that is unresolved under 3.a. above at the time of transfer, the supervisor notifies the IC Payroll Representative and requests initiation of salary offset (see HHS Personnel Manual Instruction 550-9).
- c. If indebtedness is discovered after the employee has transferred, the NIH Payroll Office informs HHS Central Payroll, who in turn requests the assistance of the employee's new agency to obtain resolution from the employee (see HHS Personnel Manual Instruction 550-9). If full payment or a signed agreement for installment is not received within 60 days, HHS Central Payroll will request salary offset.

Appendix 2. DHHS Sample Installment Repayment Agreement for Transferring Personnel - Not to Exceed One Year:

I, _____, an employee of the Department of Health and Human Services, (Component Name) , acknowledge that as of (date including year) , I am indebted to the Department in the amount of \$_____. The debt consists of \$ principal; and accrued late payment charges of \$_____ interest, \$_____ administrative costs, and \$_____ penalty. It arose as a result of my failure to repay the Department for (insert reason).

I hereby certify under penalty of perjury that I am financially unable to repay the debt in full in a single payment and request to be allowed to repay it in installments instead of having it offset from my salary or other funds that may be due me.

TERMS OF THE REPAYMENT AGREEMENT

Repayment of \$_____ (existing principal and all accrued to date late payment charges) with financing charges of percent (Private Consumer Rate in effect on date of agreement) in equal payments of \$_____ payable on the dates listed below. Financing interest over the length of the agreement will amount to \$_____.

PAYMENT DUE DATES

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

- 9.
- 10.
- 11.
- 12.

Payments must be made out to the Department of Health and Human Services and be received by the Finance Office at the address noted below on or before the payment due date. Failure to pay any payment on time will result in this repayment agreement being declared in default. Without further notice, any amount owed at the time of default will be referred to your employing agency for offset against your salary or other funds due to you.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(Insert mailing address)

I have read the above repayment agreement and I understand and agree to its terms and conditions as witnessed here by my signature.

Employee's Signature Date

Current Home Address

City, State, Zip Code

FINANCE OFFICE APPROVAL

I hereby approve the repayment of the above cited debt by installments.

Approving Official's Signature

Date

(insert name and title of approving official)

(insert location of approving official)

**MANUAL CHAPTERS
MAIN MENU**

BROWSE

SEARCH

UPDATE

**BACK TO THE OMA
HOME PAGE**

Last Updated: 11/17/99

NIH